



# 2017 BUDGET

## GOAL 6

Set the Standard for Sound Governance and Fiscal Management

# Goal 6 Strategies

- 6.1 Recruit and retain a skilled and diverse workforce
- 6.2 Implement employee benefits and services that promote financial security
- 6.3 Implement programs to reduce organizational risks
- 6.4 Implement leading-edge practices for achieving quality and performance excellence
- 6.5 Deliver services timely and efficiently with focus on continual improvement



# Goal 6 Strategies

- 6.6 Ensure continued financial stability and accountability through sound financial management, budgeting and reporting
- 6.7 Deliver effective and efficient processes to maximize value in obtaining goods and services
- 6.8 Support transparent and inclusive government
- 6.9 Maximize City Clerk's efficiency and enhance customer experience through technology



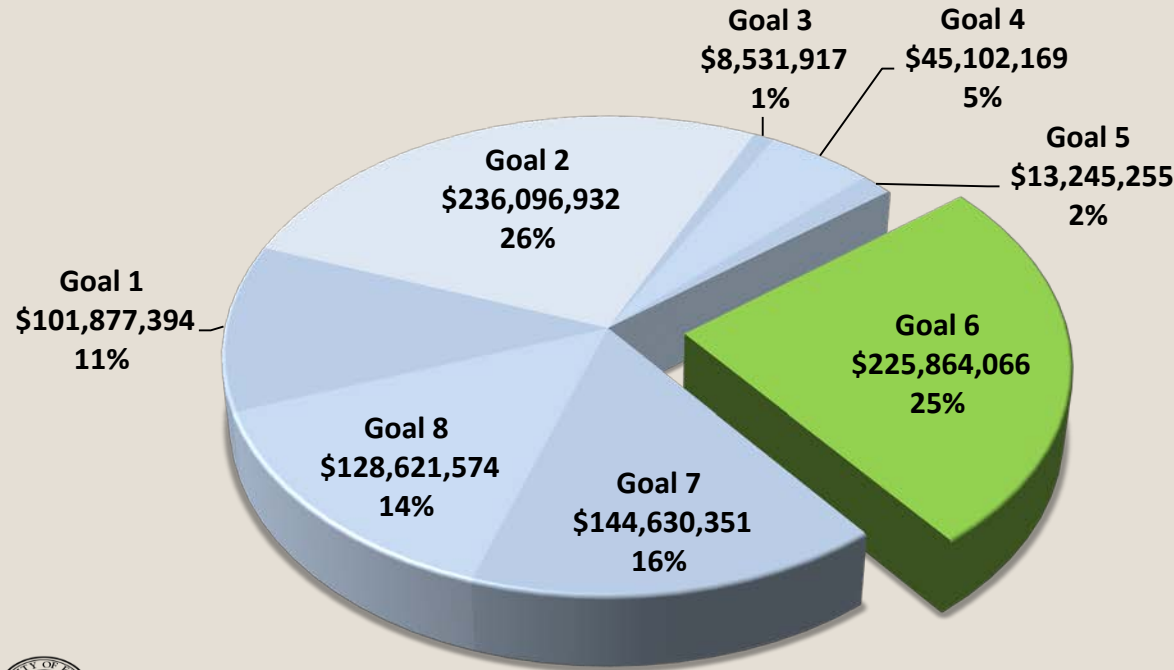
# Goal 6 Strategies

- 6.10 Enhance the quality of decision making with legal representation and support
- 6.11 Provide efficient and effective services to taxpayers
- 6.12 Maintain city fleet to ensure safe and reliable vehicles and equipment
- 6.13 Maintain systems integrity, compliance, and business continuity



# Departments Funded by Goal 6

*FY2017 All Funds Budget \$903,969,658*



- City Attorney
- City Manager
- Human Resources
- Mayor & Council
- Municipal Clerk
- Non-Departmental
- Office of the Comptroller
- Purchasing & Strategic Sourcing
- Tax



# Major Variances

- City Attorney – Added additional position to assist with open records requests; upgraded an Assistant City Attorney to a Senior Assistant City Attorney
- City Manager – Added Executive Leadership positions for Public Works and Quality of Life; additional audit position and funding for additional external audits
- Human Resources – Added funding for Training Specialist
- Self-Insurance Fund – Accounting treatment for retirees health expenditures and revenues



# Major Variances

- Mayor and Council – Increased funding for support staff and discretionary funds
- Non-Departmental – General Fund allocation for Animal Services
- Debt Service – Increase in debt service requirement for Quality of Life and Street bond projects
- Office of the Comptroller – Additional staff for grants; upgraded accounting positions



# Major Variances

- Purchasing and Strategic Sourcing – Added three Procurement Analysts and a Contract Compliance Manager
- Tax Office – Funding to implement an in-house lockbox machine to process mailed payments





# Goal 6 Sources of Funding

	FY 2016 Adopted	FY 2017 Preliminary	Variance	Percentage
General Fund	\$51,437,612	\$52,618,034	\$1,180,422 <sup>1</sup>	2.3%
Non-General Fund	\$165,625,805	\$173,246,032	\$7,620,227 <sup>2</sup>	4.6%
<b>Total</b>	<b>\$217,063,417</b>	<b>\$225,864,066</b>	<b>\$8,800,649</b>	<b>4.1%</b>

<sup>1</sup> Executive positions for Public Works and QOL; Animal Services, funding to increase audit capacity; additional staff in Comptroller's and Purchasing; P25 public safety radio maintenance

<sup>2</sup> Additional Debt Service for Quality of Life bond projects and Street Infrastructure projects



# Goal 6 Budget-All Funds

Department	FY 2016 Adopted	FY 2017 Preliminary	Variance	Percentage
City Attorney	\$4,201,477	\$4,214,827	\$13,350	0.3%
City Manager	\$2,893,192	\$3,268,690	\$375,498 <sup>1</sup>	13.0%
Human Resources	\$2,068,125	\$2,089,065	\$20,940	1.0%
HR - Self Insurance Fund	\$64,760,546	\$61,178,035	-\$3,582,511 <sup>2</sup>	-5.5%
Mayor & Council	\$1,315,010	\$1,382,282	\$67,272	5.1%
Municipal Clerk	\$6,873,668	\$6,867,800	-\$5,868	-0.1%
Non-Departmental (Other)	\$41,825,410	\$44,024,398	\$2,198,988 <sup>3</sup>	5.3%
Non-Dept - Debt Service Fund	\$87,421,244	\$96,135,659	\$8,714,415 <sup>4</sup>	10.0%
Office of the Comptroller	\$2,228,207	\$2,860,137	\$631,930 <sup>5</sup>	28.4%
Purchasing & Strategic Sourcing	\$1,335,277	\$1,514,828	\$179,551	13.4%
Tax	\$2,141,261	\$2,328,346	\$187,085	8.7%
<b>Total</b>	<b>\$217,063,417</b>	<b>\$225,864,066</b>	<b>\$8,800,650</b>	<b>4.1%</b>

<sup>1</sup> Executive positions for Public Works and QOL; funding to increase audit capacity;

<sup>2</sup> Net of increase in healthcare claims and decrease in accounting change of retirees

<sup>3</sup> Transfers for Animal Shelter, ADA, Traffic Intersections

<sup>4</sup> Additional Debt Service for QoL and Streets

<sup>5</sup> Added staff for grants compliance/monitoring



# Goal 6 Budget-All Funds

Category	FY 2016 Adopted	FY 2017 Preliminary	Variance	Percentage
Personal Services	\$20,685,618	\$22,645,823	\$1,960,205 <sup>1</sup>	9.5%
Contractual Services	\$75,581,623	\$73,238,449	-\$2,343,174 <sup>2</sup>	-3.1%
Materials & Supplies	\$809,513	\$798,751	-\$10,762	-1.3%
Operating Expenditures	\$10,149,267	\$7,315,920	-\$2,833,347 <sup>3</sup>	-27.9%
Non-Operating Expenditures	\$92,189,842	\$104,268,914	\$12,079,072 <sup>4</sup>	13.1%
Intergovernmental Expenditures	\$0	\$300,000	\$300,000	100.0%
Internal Transfers	\$17,025,554	\$16,574,208	-\$451,346	-2.7%
Capital Outlay	\$622,000	\$722,000	\$100,000	16.1%
<b>Total</b>	<b>\$217,063,417</b>	<b>\$225,864,066</b>	<b>\$8,800,649</b>	<b>4.1%</b>

<sup>1</sup> Executive positions for Public Works and QOL; funding to increase audit capacity; additional staff in OTC and Purchasing, Retiree Healthcare

<sup>2</sup> Accounting treatment for retirees health expenditures and revenues

<sup>3</sup> Reduction of the salary reserve and contingency budgets in Non-Departmental

<sup>4</sup> Additional Debt Service for QoL Bond and Street Infrastructure



# Goal 6 Staffing-All Funds

Department	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Preliminary	Variance
City Attorney	41.00	41.00	42.00	1.00
City Manager	37.60	34.60	38.10	3.50 <sup>1</sup>
Human Resources	45.30	44.05	43.80	-0.25
Mayor & Council	24.00	24.00	24.00	0.00
Municipal Clerk	91.35	91.60	92.90	1.30
Non-Departmental	2.00	6.00	6.00	0.00
Office of the Comptroller	34.50	33.50	40.00	6.50 <sup>2</sup>
Purchasing & Strategic Sourcing	21.00	24.00	28.00	4.00 <sup>3</sup>
Tax	24.50	24.50	24.50	0.00
<b>Total</b>	<b>321.25</b>	<b>323.25</b>	<b>339.30</b>	<b>16.05</b>

<sup>1</sup> Executive positions for Public Works and QOL; additional auditor, new intern position

<sup>2</sup> Additional staff to oversee grants and treasury

<sup>3</sup> Added three Procurement Analysts and one Contract Compliance Manager



# Goal 6 Budget-General Fund

Department	FY 2016 Adopted	FY 2017 Preliminary	Variance	Percentage
City Attorney	\$3,960,788	\$4,018,024	\$57,236	1.4%
City Manager	\$2,893,192	\$3,268,690	\$375,498 <sup>1</sup>	13.0%
Human Resources	\$2,068,125	\$2,089,065	\$20,940	1.0%
Mayor & Council	\$1,275,010	\$1,302,282	\$27,272	2.1%
Municipal Clerk	\$5,473,930	\$5,496,795	\$22,865	0.4%
Non-Departmental	\$32,406,122	\$32,280,861	-\$125,261	-0.4%
Office of the Comptroller	\$2,025,168	\$2,647,489	\$622,321 <sup>2</sup>	30.7%
Purchasing & Strategic Sourcing	\$1,335,277	\$1,514,828	\$179,551 <sup>3</sup>	13.4%
<b>Total</b>	<b>\$51,437,612</b>	<b>\$52,618,034</b>	<b>\$1,180,422</b>	<b>2.3%</b>

<sup>1</sup> Executive positions for Public Works and QOL; additional auditor

<sup>2</sup> Additional staff to oversee grants

<sup>3</sup> Added three Procurement Analysts and one Contract Compliance Manager



# Goal 6 Budget-General Fund

Category	FY 2016 Adopted	FY 2017 Preliminary	Variance	Percentage
Personal Services	\$17,629,868	\$19,861,580	\$2,231,712 <sup>1</sup>	12.7%
Contractual Services	\$12,535,258	\$13,973,108	\$1,437,850 <sup>2</sup>	11.5%
Materials & Supplies	\$226,330	\$255,251	\$28,921	12.8%
Operating Expenditures	\$6,412,795	\$3,146,464	-\$3,266,331 <sup>3</sup>	-50.9%
Non-Operating Expenditures	\$1,760,666	\$1,789,000	\$28,334	1.6%
Intergovernmental Expenditures	\$0	\$300,000	\$300,000	100.0%
Internal Transfers	\$12,872,695	\$13,292,631	\$419,936	3.3%
<b>Total</b>	<b>\$51,437,612</b>	<b>\$52,618,034</b>	<b>\$1,180,422</b>	<b>2.3%</b>

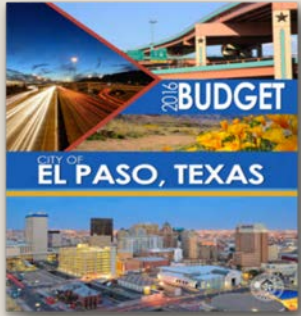
<sup>1</sup> Executive positions for Public Works and QOL; additional staff in Internal Audit, OTC, Purchasing, & Retiree healthcare

<sup>2</sup> P25 public safety radio maintenance; Increased cost for appraisal services

<sup>3</sup> Reduction of the salary reserve and contingency budgets in Non-Departmental



# FY16 Accomplishments



GFOA  
Distinguished  
Budget  
Presentation  
Award for FY16  
(22<sup>nd</sup> time)

GFOA  
Certificate of  
Achievement for  
Excellence in  
Financial  
Reporting



Launched  
Shape it Up!  
472 employees  
currently  
receiving  
incentive

7 projects  
completed

*Savings:*  
\$632,596  
*Cost avoidance:*  
\$965,991  
*Hours Saved:*  
2,415



All Legal staff  
trained on Texas  
Public  
Information Act  
*on site by Texas  
Attorney General  
staff on January  
14, 2016*

# FY16 Accomplishments



Received rebate  
check from  
Buyboard  
Cooperative  
*2<sup>nd</sup> largest in  
State of TX*

# “Achievement of Excellence Award”

for procurement  
best practices



“US Communities  
Appreciation  
Award, The Power  
of Thank you”  
for innovative  
procurement  
practices

## Implementation of Fire Medicare Compliance Program by co-sourcing with a Medicare Audit Specialist



Co-sourced  
H.O.T. audits  
with 3rd-party  
service  
provider.

*\$264,354.11 due  
to City for the  
first 20 hotels  
audited* 15





# FY16 Accomplishments



Issued 2015  
property tax  
statements  
complying with  
Senate Bill #1

*Increased  
residential  
homestead  
exemption*

Conducted  
two special  
elections



Improved  
speed of trial  
settings to  
under 95 days  
from date of  
trial request

Two week  
amnesty  
period  
resulted in  
clearing over  
8,600  
warrants

*Reached  
227,071  
people on  
Facebook*



# FY17 Spotlight

Strategy	Key Deliverable
<b>Recruit and retain a skilled and diverse workforce</b>	<ul style="list-style-type: none"><li>• Deploy new Interview Skills training for promotional advancement</li><li>• Revamp and deploy Workforce Diversity and Sensitivity training</li></ul>
	<ul style="list-style-type: none"><li>• Develop and maintain Training Catalogue of ongoing available courses</li><li>• Deploy <i>Government Series</i> training highlighting department specific processes (i.e. budget, procurement, etc)</li><li>• Maintain and enhance policies and practices that retain and reward talent<ul style="list-style-type: none"><li>• 7.15% turnover rate thru Q3 (target 10%)</li></ul></li></ul>



# FY17 Spotlight


Strategy	Key Deliverable
<b>Implement employee benefits and services that promote financial security</b>	<ul style="list-style-type: none"><li>• Redesign and redefine Health Plan for Non-Uniformed employees</li><li>• Require re-enrollment in Health Plan for CY2017 enabling employees to use tools available to help inform decision making</li></ul>
	<ul style="list-style-type: none"><li>• Increase Shape It Up! Participation to 10% of eligible employees through HR Leadership outreach to all departments</li><li>• Continue efforts deployed in third quarter of FY2016 resulting in 13% increase of biometric screenings</li></ul>




# FY17 Spotlight

Strategy	Key Deliverable
<b>Implement programs to reduce organizational risks</b>	<ul style="list-style-type: none"><li>• Deploy Executive Safety Committee to enhance the management of safety barriers</li><li>• Deploy safety incentive for positions requiring commercial driver's license</li><li>• Assess current property, casualty and liability coverage to mitigate risk of loss through procurement process</li></ul>
<b>Deliver services timely and efficiently with focus on continual improvement</b>	<p>Lean Six Sigma Program:</p> <ul style="list-style-type: none"><li>• Complete wave 3 of Green belt training</li><li>• Complete additional Yellow belt training</li><li>• Complete 25 new projects</li></ul>

# FY17 Spotlight

Strategy	Key Deliverable
<p data-bbox="98 347 710 472"><b>Ensure continued financial stability and accountability through sound financial management, budgeting and reporting</b></p> 	<ul style="list-style-type: none"><li data-bbox="788 347 1246 385">• Update budget policies</li><li data-bbox="788 399 1547 437">• Enhance automated reporting processes</li><li data-bbox="788 452 1785 543">• Identify opportunities to improve turnaround time for quarterly financial forecast reporting</li><li data-bbox="788 558 1282 596">• Earn GFOA budget award</li></ul> <ul style="list-style-type: none"><li data-bbox="788 621 1711 762">• New reporting software improving timing and availability of the CAFR, monthly fund reports and departmental financial reports</li><li data-bbox="788 776 1804 868">• Combine all Grant Accounting accountants under one roof to alleviate Grant Accounting and Reporting issues</li><li data-bbox="788 882 1476 920">• Earn GFOA financial reporting award</li></ul>

# FY17 Spotlight




Strategy	Key Deliverable
<p data-bbox="98 380 852 516"><b>Deliver effective and efficient processes to maximize value in obtaining goods and services</b></p> 	<ul data-bbox="967 380 1837 778" style="list-style-type: none"><li>• Increase the number of vendors in the EPMarketplace by 50%</li><li>• Complete Contract Administration training for all City Departments (target 100%)</li><li>• Launch New Virtual Information Officer (Avatar)</li><li>• Complete third party review and update procurement manual</li></ul>

# FY17 Spotlight

Strategy	Key Deliverable
<b>Support transparent and inclusive government</b>	Completion of necessary activities for May 2017 General Election <ul style="list-style-type: none"><li>• Mayor</li><li>• District 2</li><li>• District 3</li><li>• District 4</li><li>• District 7</li></ul>
<b>Maximize City Clerk's efficiency and enhance customer experience through technology</b>	Develop and implement capability for electronic ADA compliant Campaign Finance reporting <ul style="list-style-type: none"><li>• Specific Purpose Committee</li><li>• General Purpose Committee</li><li>• Candidate/Office Holder</li></ul>



# FY17 Spotlight

Strategy	Key Deliverable
<p data-bbox="98 334 653 372"><b>Enforce Municipal Court orders</b></p> 	<ul style="list-style-type: none"><li>• Increase ease of compliance with court orders through new online options for payment plans and driver's safety courses</li><li>• Implement Court's new case management software, Full Court Enterprise, to include conversion of document images</li></ul>
<p data-bbox="98 670 875 751"><b>Maximize Municipal Court efficiency and enhance customer experience</b></p>  	<ul style="list-style-type: none"><li>• Implement transfer of E-warrants to El Paso County Detention Facilities to speed booking process</li><li>• Expand video arraignment to El Paso County Detention Facility and Court</li></ul>



# FY17 Spotlight

## Strategy

**Provide efficient and effective services to taxpayers**



## Key Deliverable

Implement an in-house lockbox machine to process mailed payments

# FY17 Spotlight

Strategy	Key Deliverable
<p>Enhance the quality of decision making with legal representation and support</p>	<ul style="list-style-type: none"><li>• Provide monthly updates to City Council on legal transactional and litigation matters<ul style="list-style-type: none"><li>• Continue to participate in Legal Implementation and Execution Team meetings</li></ul></li><li>• Staff development to enable the City Attorney's office to provide legal advice based on up to date municipal law</li></ul>

# Planned Accomplishments

- Enhance reporting through software automation & process improvement
- Contract compliance (citywide)
- Cybersecurity
- Long-term compensation planning
- Develop plan to address maintenance for city facilities
- Vehicle replacement planning



# Thank You

## Questions?

